

MINUTES OF THE SHREWSBURY CONTRIBUTORY RETIREMENT BOARD

DATE: November 8, 2002

PLACE: Meeting Room B, Town Hall

PRESENT: Kevin McNeil, Ann Dagle, Caryn Shea, Jay Montgomery

Hearings and/or meetings: Money Manager Reviews and 3rd Quarter Review

Phoenix - John LaForge, Barry Cope and Jeffrey Gallahue met with the board for a manager review. Phoenix manages a separately managed large cap equity portfolio for the Shrewsbury Retirement System. Mr. Gallahue introduced Mr. LaForge and Mr. Cope. Mr. Cope gave a brief background as Vice President of Client Services. Mr. LaForge then gave a brief overview of the economy. He felt that the market has hit it's low or is just about there and would turn around once the issues of capacity and fraud had been dealt with.

Rhumblin - Wayne Owen and Denise D'Entremont Managing and Marketing Directors from Rhumblin met with the board next. Rhumblin manages a pooled index fund for the Shrewsbury Retirement System. Ms. D'Entremont stated that Rhumblin had outperformed the index, although each had negative returns. For the month of October, each component of the index portfolio had positive returns at or exceeding that of the corresponding index.

Dahab Associates – Greg McNeillie met with the board to discuss 3rd quarter returns. The entire portfolio was valued at \$36.6 M, down from \$40M as of the end of the 2nd quarter. The actual holdings were equities – 40.9%, bonds – 39.2%, cash and equivalents – 2%, real estate – 6.4%, international equities – 7.9% and international bonds – 3.5%. Bonds were over allocated by 6.7% with equities under allocated by 9.1%. Total return for this quarter was -8.4% with bonds and real estate the only areas having a positive return. Domestic bonds (IRM) only returned 2.6% and that was attributed to its WorldCom holdings. This hurt the overall portfolio, but IRM continuously kept Dahab and the board up to date with what was happening. Mr. McNeillie pointed out that fraud happened and was not the fault of IRM. He recommended that the assets be re-allocated, increasing the equity portion and decreasing the bond portion. Mrs. Shea motioned to accept his recommendation. Seconded by Mrs. Dagle, the motion was so voted unanimously.

The board thanked all involved with the presentations and continued with its regular monthly business meeting.

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The minutes of the meeting(s) held October 18, 2002 were approved and signed.

New Member Applications:

Mr. Montgomery motioned to accept the following applications:

Tina Bara – Housing Authority
Crystal Greenfield – School Aide
Sandra Orne – School Aide
Denise Porcaro – Light Department
Susan Robichaud – Police Department
Christine Tretheway – School Aide
Kelly Winch – School Aide
Stephen Yap – School Tech Support Specialist

Seconded by Mrs. Dagle, the motion was so voted unanimously.

Refunds:

Mrs. Shea motioned to accept the following applications for refund(s) contingent upon no lien from the DOR:

Diane Bloksberg
Cessily Duke
Jacqueline Gates
Liz Lopez

Seconded by Mr. Montgomery, the motion was so voted unanimously.

Retirements:

Mrs. Dagle motioned to accept the Accidental Disability Retirement application of John Dolan.

Seconded by Mr. Montgomery, the motion was so voted unanimously.

New Business: Mrs. Shea motioned to grant 1 years and 11 months of creditable service to Mary Jane Cygielnik who completed payment for pro-rated part time service in Shrewsbury prior to membership. Seconded by Mrs. Dagle the motion was so voted unanimously.

Old Business:

Richard Qualey – Worcester Superior Court appeal date pending. Brief received from T. Philip Leader.

Research is continuing on the use of tax-exempt motor vehicles and regular compensation. PERAC Memo #38 issued.

Actuarial Study – Updated breakout figures were reviewed. Study will be submitted to PERAC for approval.

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Bill Schedules, Payrolls and Refunds:

The following bill schedules, payrolls and refunds were approved and signed:

Warrant #11 **\$31,756.43**

Palsons, Inc.	\$10.27
Ma Teachers' Retirement	\$9,528.69
Boston Retirement System	\$16,310.54
Worcester Regional Ret.	\$3,600.61
T. Philip Leader	\$1,950.00
Caryn Shea	\$356.32

Payroll:	Gail A. Sokolowski	\$2,741.20
	Mary Thompson	\$250.00
	Retirees & refunds	\$283,370.30

Communications:

PERAC Memo #35 and 38 - 44 were noted.

Miscellaneous correspondence was read.

Investment reports were reviewed.

The next regular monthly meeting is scheduled for December 13, 2002 at 3:30 PM.

Respectfully submitted,

Executive Director

Member

Chair

Member

Member

Member